MEMO

DATE: August 30, 2007

TO: Community, Economic and Human Development Committee

FROM: Leeor Alpern, Government Affairs Analyst, (213) 236-1883, alpern@scag.ca.gov

Joanne Ruddell, Senior Regional Planner, (213) 236-1858, ruddell@scag.ca.gov

SUBJECT: Summary of Proposition 1C Legislation and TOD Program Information Submitted to HCD.

BACKGROUND:

In response to the Committee's request at the July 12, 2007 meeting, SCAG staff has prepared this memorandum to update the Committee on Proposition 1C affairs. The Legislature has been considering several pieces of legislation to implement the housing bonds authorized by Proposition 1C, passed by voters in November, 2006. This memorandum contains summary information on key housing bond legislation bills (AB 1053, SB 46 and SB 86) and Transit Oriented Development (TOD) funding.

SECTION 1: PROPOSITION 1C LEGISLATION (AB 1053, SB 46 and SB 86)

SB 46 [sponsored by Senate President pro Tem Don Perata (D - Oakland)] and AB 1053 [sponsored by Assembly Speaker Fabian Núñez (D - Los Angeles)], were bills created to promote the development of infill housing by providing the statutory framework for expenditure of the \$850 million in Proposition 1C's Regional Planning, Housing, and Infill Incentive Account. While staff was satisfied with many provisions of SB 46 and AB 1053, the bills were strengthened by requiring eligible projects to be consistent with regional blueprint and/or regional transportation plans.

SCAG Recommended bill text: staff submitted to SCAG's lobbyist several edits to the version of AB 1053 and SB 46, including:

- Eligible projects be consistent with a regional transportation plan and/or regional blueprint plans pursuant to submitting a resolution finding such from the regional planning agency.
- Sites for eligible projects be designated by a city, county or regional infill plan
- Provide consistent findings from the regional plan agreement that project is consistent with regional transportation plan and/or regional blueprint plans.
- ♦ A qualifying infill project shall be located in an area designated for mixed-use or residential development pursuant to either a regional blueprint plan and/or a regional transportation plan. Furthermore, a qualifying infill project shall qualify pursuant to one of the following plans provided the previous plans are met: general or specific plan, project area development plan and/or a capital improvement plans.

On July 19, 2007, SB 86 was amended in the second House to incorporate provisions of SB 46 and AB 1053 into a single budget trailer bill. SB 86 passed the Assembly as an urgency bill on 7/20/07, and was referred to the Senate for concurrence. The state Senate refused to adopt the urgency clause and refused to concur in



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the amendments made in the Assembly. Reconsideration by the Senate was granted on July 21, 2007 and the bill likely will be taken up by the Senate soon after the summer recess.

Staff has reviewed SB 86 and is satisfied with the provision of the bill. It is consistent with regional blueprint and/or regional transportation plans.

SECTION 2: TRANSIT ORIENTED DEVELOPMENT (TOD) PROGRAM UPDATE

STING

On July 19, 2007, staff submitted to the California Department of Housing and Community Development (HCD) finalized large scale regional Blueprint maps to be used - for their reference and analysis - in the competitive ranking of application for TOD funding. In addition, staff is developing Vehicle Miles Travel and Land Use Maps that might be used to compliment the TOD Program as well as the Regional Planning, Housing, and Infill Incentive Account.

FISCAL IMPACT:

This information item has no fiscal impact on SCAG.

Reviewed by:

Di**yi**ston Manager

Reviewed by:

Department Director

Reviewed by:

Chief Financial/Officer